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DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

[A-570-973]

Certain Steel Wheels from the People's Republic of China: Notice of Final Determination of Sales at Less Than Fair Value and Partial Affirmative Final Determination of Critical Circumstances

AGENCY: Import Administration, International Trade Administration, Department of Commerce

EFFECTIVE DATE: [Insert date of publication in the *Federal Register*.]

SUMMARY: On November 2, 2011, the Department of Commerce ("Department") published its preliminary determination of sales at less than fair value ("LTFV") in the antidumping investigation of certain steel wheels ("steel wheels") from the People's Republic of China ("PRC").<sup>1</sup> We invited interested parties to comment on our preliminary determination of sales at LTFV. Based on our analysis of the comments we received, we have made changes to our margin calculations for the mandatory respondents. The final dumping margins for this investigation are listed in the "Final Determination Margins" section below.

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<sup>1</sup> See *Certain Steel Wheels From the People's Republic of China: Notice of Preliminary Determination of Sales at Less Than Fair Value, Partial Affirmative Preliminary Determination of Critical Circumstances, and Postponement of Final Determination*, 76 FR 67703 (November 2, 2011) ("Preliminary Determination"). *Less Than Fair Value, Partial Affirmative Preliminary Determination of Critical Circumstances, and Postponement of Final Determination*, 76 FR 67703 (November 2, 2011) ("Preliminary Determination").

## SUPPLEMENTARY INFORMATION:

### Case History

The Department published its *Preliminary Determination* of sales at LTFV on November 2, 2011. In accordance with 19 CFR 351.309(c)(ii), we invited parties to comment on the *Preliminary Determination*.

On November 3, 2011, the Department issued a post-preliminary supplemental questionnaire to Zhejiang Jingu Company Limited (“Zhejiang Jingu”) and its affiliated exporter Shanghai Yata Industry Co., Ltd (“Yata”) (collectively “Jingu”). On November 14, 2011, Jingu submitted its response to the Department’s post-preliminary supplemental questionnaire. Also on November 14, 2011, Jingu and Jining Centurion Wheel Manufacturing Co., Ltd. (“Jining Centurion”) and its affiliated U.S. reseller, Centurion Wheel Manufacturing Company (“Centurion USA”) (collectively “Centurion”) provided additional factual information pertaining to respondents’ production experience.

Between November 21, 2011, and December 9, 2011, the Department conducted verifications of Jining Centurion and its affiliated U.S. reseller, Centurion USA. Between December 1, 2011, and December 9, 2011, the Department conducted verifications of Zhejiang Jingu and its affiliated exporter Yata. The Department released verification reports for each verification of Centurion and Jingu on January 10, 2012, and January 11, 2012, respectively. The Department also released an addendum to its verification report regarding Centurion on January 23, 2012. Accuride Corporation and Hayes Lemmerz International (“Petitioners”)

submitted their comments regarding the Department's January 23, 2012, addendum on January 25, 2012.<sup>2</sup>

On December 19, 2011, Centurion and Jingu submitted publicly available surrogate value submissions. On December 29, 2011, Petitioners submitted rebuttal comments to Jingu's surrogate value submission. Case briefs were submitted on January 20, 2012, by the following parties: (1) Petitioners; (2) the Government of China; (3) Blackstone/OTR LLC and OTR Wheel Engineering, Inc. (collectively "Blackstone"); (4) Jingu; and (5) Centurion. On January 25, 2012, Centurion and Petitioners submitted rebuttal briefs. On February 29, 2012, the Department met with counsel for Blackstone/OTR and Super Grip Corporation, an interested party in this proceeding. The Department met with counsel for Petitioners on March 2, 2012.

#### Scope Comments

Following the *Preliminary Determination*, on December 6, 2011, the Department issued a post-preliminary supplemental questionnaire to all interested parties requesting further information regarding various scope issues in this and the concurrent countervailing duty investigation on certain steel wheels from the PRC related to: 1) the U.S. Department of Transportation's regulatory requirements for steel wheels; 2) steel wheel product specifications; and 3) additional off-highway uses for Petitioners' steel wheels.<sup>3</sup>

On December 13, 2011, the following parties submitted responses to the Department's scope supplemental questionnaire: (1) Petitioners; (2) Xiamen Sunrise Wheel Group Co., Ltd. ("Xiamen Sunrise") and its affiliate, Xiamen Topu Import & Export Co., Ltd. ("Xiamen Topu");

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<sup>2</sup> See the "Verification" section below for additional information.

<sup>3</sup> See the Department's letter to all interested parties entitled, "LTFV antidumping duty investigation of Certain Steel Wheels from the People's Republic of China: Post-Preliminary Request for Information," dated December 6, 2011 ("scope supplemental questionnaire").

(3) Jingu; (4) Blackstone; and (5) Jiaxing Stone Wheel Co., Ltd (“Jiaxing Stone”). On December 22, 2011, Blackstone submitted rebuttal comments to the Petitioners’ scope supplemental questionnaire response. On December 23, 2011, Petitioners and Jingu also provided their rebuttal comments to parties’ scope supplemental questionnaire responses.

Based on the Department’s analysis of these comments and the factual records of these investigations, the Department continues to find that the scope of the investigation should not exclude off-the-road steel wheels.<sup>4</sup>

#### Period of Investigation

The period of investigation (“POI”) is July 1, 2010, through December 31, 2010. This period corresponds to the two most recent fiscal quarters prior to the month of the filing of the petition, which was March 2011.<sup>5</sup>

#### Verification

As provided in section 782(i) of the Tariff Act of 1930, as amended (“Act”), we verified the information submitted by Centurion and Jingu for use in our final determination. The Department used standard verification procedures, including the examination of relevant

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<sup>4</sup> For a complete discussion of the parties’ comments and the Department’s position, *see* Memorandum to Paul Piquado entitled “Issues and Decision Memorandum for the Final Determination in the Less-Than-Fair-Value Investigation of Steel Wheels from the People’s Republic of China,” dated March 16, 2012, and incorporated herein by reference (“Issues and Decision Memorandum”) at Comment 1.

<sup>5</sup> *See* 19 CFR 351.204(b)(1).

accounting and production records, as well as original source documents provided by respondents.<sup>6</sup>

#### Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties to this investigation are addressed in the Issues and Decision Memorandum. A list of the issues which parties have raised and to which we have responded in the Issues and Decision Memorandum is attached to this notice as Appendix I. The Issues and Decision Memorandum is a public document and is on file electronically via Import Administration's Antidumping and Countervailing Duty Centralized Electronic Service System ("IA ACCESS"). Access to IA ACCESS is available in the Central Records Unit ("CRU"), room 7046 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly on the Internet at <http://www.trade.gov/ia/>. The paper copy and electronic version of the Issues and Decision memorandum are identical in content.

#### Changes Since the *Preliminary Determination*

- The Department is using Thai import data to value respondents' pallet inputs, rather than the Indonesian data used for the *Preliminary Determination*.<sup>7</sup>

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<sup>6</sup> See Memorandum from the Department entitled, "Verification of the Sales Responses of Centurion Wheel Manufacturing Company ("Centurion USA") in the Antidumping Duty Investigation of Certain Steel Wheels From the People's Republic of China," dated January 10, 2012 ("Centurion USA's Verification Report"); Memorandum from the Department entitled, "Verification of the Sales Responses of Jining Centurion Wheel Manufacturing Company, Ltd. in the Antidumping Duty Investigation of Certain Steel Wheels From the People's Republic of China," dated January 10, 2012 (Jining Centurion's Verification Report"); Memorandum from the Department entitled, "Verification of the Sales Information of Yata Industry Company, Ltd." dated January 11, 2012 (Yata's Verification Report"); and Memorandum from the Department entitled, "Verification of the Sales and Factor Production Information of Zhejiang Jingu Company Limited" dated January 11, 2012 ("Jingu's Verification Report").

<sup>7</sup> See Comment 4 of the Issues and Decision Memorandum; see also Memorandum to the File entitled "Antidumping Duty Investigation of Certain Steel Wheels from the People's Republic of China ("PRC"): Final Determination Surrogate Value Memorandum," dated March 16, 2012 ("Surrogate Value Memorandum").

- To value inland truck freight, the Department is using an average of updated prices from the same source used in the *Preliminary Determination*.<sup>8</sup>
- The Department has revised Centurion and Jingu's margin calculations to incorporate minor corrections submitted at their respective verifications, as well as other minor discrepancies noted in their verification reports.<sup>9</sup>
- The Department finds that critical circumstances exist for the PRC-entity.

### Scope of Investigation

The products covered by this investigation are steel wheels with a wheel diameter of 18 to 24.5 inches. Rims and discs for such wheels are included, whether imported as an assembly or separately. These products are used with both tubed and tubeless tires. Steel wheels, whether or not attached to tires or axles, are included. However, if the steel wheels are imported as an assembly attached to tires or axles, the tire or axle is not covered by the scope. The scope includes steel wheels, discs, and rims of carbon and/or alloy composition and clad wheels, discs, and rims when carbon or alloy steel represents more than fifty percent of the product by weight. The scope includes wheels, rims, and discs, whether coated or uncoated, regardless of the type of coating.

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<sup>8</sup> See Comment 5 of the Issues and Decision Memorandum; see also Surrogate Value Memorandum.

<sup>9</sup> See Comment 9 of the Issues and Decision Memorandum; see also Centurion USA's Verification Report, Jining Centurion's Verification Report, Yata's Verification Report, and Jingu's Verification Report; see also Memorandum from the Department entitled, "Investigation of Certain Steel Wheels from the People's Republic of China: Analysis of the Final Determination Margin Calculation for Zhejiang Jingu Company Limited ("Jingu") and Shanghai Yata Industry Company Limited ("Yata")," dated March 16, 2012 ("Jingu's Final Analysis Memorandum"); and Memorandum from the Department entitled, "Investigation of Certain Steel Wheels from the People's Republic of China: Analysis of the Final Determination Margin Calculation for Jining Centurion Wheels Manufacturing Co., Ltd. and Centurion Wheel Manufacturing Company," dated March 16, 2012 (Centurion's Final Analysis Memorandum").

Imports of the subject merchandise are provided for under the following categories of the Harmonized Tariff Schedule of the United States (“HTSUS”): 8708.70.05.00, 8708.70.25.00, 8708.70.45.30, and 8708.70.60.30. Imports of the subject merchandise may also enter under the following categories of the HTSUS: 8406.90.4580, 8406.90.7500, 8420.99.9000, 8422.90.1100, 8422.90.2100, 8422.90.9120, 8422.90.9130, 8422.90.9160, 8422.90.9195, 8431.10.0010, 8431.10.0090, 8431.20.0000, 8431.31.0020, 8431.31.0040, 8431.31.0060, 8431.39.0010, 8431.39.0050, 8431.39.0070, 8431.39.0080, 8431.43.8060, 8431.49.1010, 8431.49.1060, 8431.49.1090, 8431.49.9030, 8431.49.9040, 8431.49.9085, 8432.90.0005, 8432.90.0015, 8432.90.0030, 8432.90.0080, 8433.90.1000, 8433.90.5020, 8433.90.5040, 8436.99.0020, 8436.99.0090, 8479.90.9440, 8479.90.9450, 8479.90.9496, 8487.90.0080, 8607.19.1200, 8607.19.1500, 8708.70.1500, 8708.70.3500, 8708.70.4560, 8708.70.6060, 8709.90.0000, 8710.00.0090, 8714.19.0030, 8714.19.0060, 8716.90.1000, 8716.90.5030, 8716.90.5060, 8803.20.0015, 8803.20.0030, and 8803.20.0060. These HTSUS numbers are provided for convenience and customs purposes only; the written description of the scope is dispositive.

#### Surrogate Country

In the *Preliminary Determination*, the Department selected Indonesia as the appropriate surrogate country to use in this investigation.<sup>10</sup> For the final determination, since we received no comments on our decision, we continue to use Indonesia as the primary surrogate country.

#### Affiliation

In the *Preliminary Determination*, based on the evidence on the record, the Department preliminarily found that Zhejiang Jingu and Yata are affiliated, pursuant to section 771(33)(E) of the Act. In addition, based on the evidence presented in their respective questionnaire

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<sup>10</sup> See *Preliminary Determination*, 76 FR at 67708.

responses, we preliminarily found that Zhejiang Jingu and Yata should be treated as a single entity for the purposes of this investigation.<sup>11</sup> Since the *Preliminary Determination*, the Department has found no information to reverse this finding, nor have parties provided comment to rebut this finding. Therefore, the Department continues to find Yata and Zhejiang Jingu to be affiliated with each other pursuant to sections 771(33)(E) of the Act, for this final determination.

#### Separate Rates

In proceedings involving NME countries, the Department begins with a rebuttable presumption that all companies within the country are subject to government control and, thus, should be assigned a single antidumping duty deposit rate. It is the Department's policy to assign all exporters of merchandise subject to an investigation in an NME country this single rate unless an exporter can demonstrate that it is sufficiently independent so as to be entitled to a separate rate.<sup>12</sup> In the *Preliminary Determination*, we found that the two mandatory respondents (*i.e.*, Centurion and Jingu), and the separate-rate respondents (*i.e.*, (1) Shandong Land Star Import & Export Co., Ltd. ("Shandong Land Star"), (2) Shandong Jining Wheel Factory ("Shandong Jining"), (3) Wuxi Superior Wheel Co., Ltd. ("Wuxi Superior"), (4) Shandong Xingmin Wheel Co. Ltd. ("Xingmin Wheel"), (5) Xiamen Sunrise, (6) Jiaxing Stone, (7) Xiamen Topu and (8) China Dongfeng Motor Industry Imp. & Exp. Co., Ltd. ("Dongfeng Motor")) demonstrated their eligibility for separate-rate status. For the final determination, we continue to find that the evidence placed on the record of this investigation by these companies demonstrates

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<sup>11</sup> See Memorandum from the Department entitled, "Antidumping Duty Investigation of Certain Steel Wheels from the People's Republic of China: Affiliation and Collapsing of Zhejiang Jingu Company Limited and Shanghai Yata Industry Company Limited," dated October 26, 2011.

<sup>12</sup> See *Final Determination of Sales at Less Than Fair Value: Sparklers from the People's Republic of China*, 56 FR 20588 (May 6, 1991), as amplified by *Notice of Final Determination of Sales at Less Than Fair Value: Silicon Carbide from the People's Republic of China*, 59 FR 22585 (May 2, 1994) and 19 CFR 351.107(d).

both a *de jure* and *de facto* absence of government control, with respect to their respective exports of the merchandise under investigation, and, thus are eligible for separate-rate status.<sup>13</sup>

#### Margin for Non-Examined Separate Rate Companies

Consistent with the Department's practice, as the rate for non-examined entities which qualify for separate rate status, we have established a margin based on the rate calculated for the mandatory respondents, Centurion and Jingu.<sup>14</sup>

#### Use of Facts Available and Adverse Facts Available

Section 776(a) of the Act provides that the Department shall apply facts available ("FA") if (1) necessary information is not on the record, or (2) an interested party or any other person (A) withholds information that has been requested, (B) fails to provide information within the deadlines established, or in the form and manner requested by the Department, subject to subsections (c)(1) and (e) of section 782 of the Act, (C) significantly impedes a proceeding, or (D) provides information that cannot be verified as provided by section 782(i) of the Act.

Section 776(b) of the Act further provides that the Department may use an adverse inference in applying FA (*i.e.*, adverse facts available ("AFA")) when a party has failed to cooperate by not acting to the best of its ability to comply with a request for information. Such an adverse inference may include reliance on information derived from the petition, the final determination, a previous administrative review, or other information placed on the record.

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<sup>13</sup> See *Preliminary Determination*, 76 FR at 67709-10.

<sup>14</sup> See *e.g.*, *Preliminary Determination of Sales at Less Than Fair Value and Partial Affirmative Determination of Critical Circumstances: Certain Polyester Staple Fiber from the People's Republic of China*, 71 FR 77373, 77377 (December 26, 2006) (unchanged in *Final Determination of Sales at Less Than Fair Value and Partial Affirmative Determination of Critical Circumstances: Certain Polyester Staple Fiber from the People's Republic of China*, 72 FR 19690 (April 19, 2007)).

For this final determination, in accordance with section 776(b) of the Act, we have determined that the use of AFA is warranted for the PRC-wide entity as discussed below.

#### The PRC-Wide Rate

Because the Department begins with the presumption that all companies within an NME country are subject to government control, and because only the companies listed under the “Final Determination Margins” section, below, have overcome that presumption, we are applying a single antidumping rate (*i.e.*, the PRC-wide rate) to all other exporters of subject merchandise from the PRC. These other companies did not demonstrate entitlement to a separate rate.<sup>15</sup> The PRC-wide rate applies to all entries of subject merchandise except for entries from the companies eligible for separate rate status.

In the *Preliminary Determination*, the Department preliminarily determined that there were exporters/producers of the subject merchandise during the POI from the PRC that did not respond to the Department’s request for information. Further, we treated these PRC producers/exporters as part of the PRC-wide entity because they did not apply for a separate rate. As a result, we found that the use of FA was appropriate to determine the PRC-wide rate pursuant to section 776(a)(2)(A) of the Act.<sup>16</sup>

Because the PRC-wide entity did not respond to our requests for information, withheld information requested by the Department, and did not allow their information to be verified, pursuant to sections 776(a)(2)(A), (C), and (D) of the Act, we determine, as in the *Preliminary Determination*, that the use of facts otherwise available is appropriate to determine the PRC-wide rate.

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<sup>15</sup> See *e.g.*, *Synthetic Indigo From the People’s Republic of China; Notice of Final Determination of Sales at Less Than Fair Value*, 65 FR 25706, 25707 (May 3, 2000).

<sup>16</sup> See *Preliminary Determination*, 76 FR at 67710-11.

Thus, in the *Preliminary Determination*, the Department determined that, in selecting from among the FA, an adverse inference is appropriate because the PRC-wide entity failed to cooperate by not acting to the best of its ability to comply with requests for information.<sup>17</sup> As AFA, we preliminarily assigned to the PRC-wide entity a rate of 193.54 percent, the highest rate from the petition.<sup>18</sup>

#### Selection of the Adverse Facts Available Rate

In deciding which facts to use as AFA pursuant to section 776(b) of the Act and 19 CFR 351.308(c)(1), the Department may rely on information derived from (1) the petition, (2) a final determination in the investigation, (3) any previous review or determination, or (4) any information placed on the record. In selecting a rate for AFA, the Department selects a rate that is sufficiently adverse “as to effectuate the purpose of the facts available rule to induce respondents to provide the Department with complete and accurate information in a timely manner.”<sup>19</sup> It is also the Department’s practice to select a rate that ensures “that the party does not obtain a more favorable result by failing to cooperate than if it had cooperated fully.”<sup>20</sup>

Generally, the Department finds selecting the highest rate on the record of the proceeding as AFA to be appropriate.<sup>21</sup> It is the Department’s practice to select, as AFA, the higher of the (a) highest margin alleged in the petition, or (b) the highest calculated rate of any respondent in

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<sup>17</sup> See *Id.*

<sup>18</sup> See *Id.*; see also *Statement of Administrative Action accompanying the URAA*, H.R. Rep. No. 103-316, vol. 1, at 870 (1994) (“SAA”).

<sup>19</sup> See *Notice of Final Determination of Sales at Less than Fair Value: Static Random Access Memory Semiconductors From Taiwan*, 63 FR 8909, 8932 (February 23, 1998).

<sup>20</sup> See *Brake Rotors From the People’s Republic of China: Final Results and Partial Rescission of the Seventh Administrative Review; Final Results of the Eleventh New Shipper Review*, 70 FR 69937, 69939 (November 18, 2005); see also SAA at 870.

<sup>21</sup> See e.g., *Certain Cased Pencils from the People’s Republic of China: Preliminary Results of Antidumping Duty Administrative Review and Intent to Rescind in Part*, 70 FR 76755, 76761 (December 28, 2005)(unchanged in *Certain Cased Pencils from the People’s Republic of China: Final Results and Partial Rescission of Antidumping Duty Administrative Review*, 71 FR 38366 (July 6, 2006) and accompanying Issues and Decision Memorandum at Comment 10).

the investigation.<sup>22</sup> In the instant investigation, as AFA, we have assigned to the PRC-wide entity the highest petition rate on the record of this proceeding that can be corroborated.<sup>23</sup> The Department determines that this information is the most appropriate from the available sources to effectuate the purposes of AFA.

#### Corroboration

Section 776(c) of the Act provides that, when the Department relies on secondary information rather than on information obtained in the course of an investigation as FA, it must, to the extent practicable, corroborate that information from independent sources reasonably at its disposal. Secondary information is described as “information derived from the petition that gave rise to the investigation or review, the final determination concerning merchandise subject to this investigation, or any previous review under section 751 concerning the merchandise subject to this investigation.”<sup>24</sup> To “corroborate” means that the Department will satisfy itself that the secondary information to be used has probative value. Independent sources used to corroborate may include, for example, published price lists, official import statistics and customs data, and information obtained from interested parties during the particular investigation. To corroborate

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<sup>22</sup> See *Final Determination of Sales at Less Than Fair Value: Certain Cold-Rolled Carbon Quality Steel Products from the People’s Republic of China*, 65 FR 34660 (May 21, 2000) and accompanying Issues and Decision Memorandum at “Facts Available.”

<sup>23</sup> See *Certain Steel Wheels From the People’s Republic of China: Initiation of Antidumping Duty Investigation*, 76 FR 23294 (April 26, 2011)

<sup>24</sup> See SAA at 870.

secondary information, the Department will, to the extent practicable, examine the reliability and relevance of the information used.<sup>25</sup>

It is the Department's practice to use the highest rate from the petition in an investigation when a respondent fails to act to the best of its ability to provide the necessary information.<sup>26</sup> Consistent with our practice, for the final determination we find that the highest rate in the petition of 193.54 percent is appropriate for the PRC-wide entity.<sup>27</sup> For the final determination, in accordance with section 776(c) of the Act, we corroborated our AFA margin using information submitted by Jingu. Specifically, we compared the normal values and net U.S. prices we calculated for Jingu in the final determination to the normal value and net U.S. price underlying the calculation of the 193.54 percent rate in the petition. We found that certain normal values we calculated for Jingu in this investigation were higher than or within the range of the normal value in the petition; we found that certain net U.S. prices we calculated for Jingu in this investigation were lower than or within the range of the U.S. price in the petition.<sup>28</sup>

Accordingly, we find this rate is reliable and relevant, considering the record information, and thus, has probative value. Additionally, by using information that was

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<sup>25</sup> See *Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From Japan, and Tapered Roller Bearings, Four Inches or Less in Outside Diameter, and Components Thereof, From Japan; Preliminary Results of Antidumping Duty Administrative Reviews and Partial Termination of Administrative Reviews*, 61 FR 57391, 57392 (November 6, 1996) (unchanged in *Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From Japan, and Tapered Roller Bearings, Four Inches or Less in Outside Diameter, and Components Thereof, From Japan; Final Results of Antidumping Duty Administrative Reviews and Termination in Part*, 62 FR 11825 (March 13, 1997)).

<sup>26</sup> See, e.g., *Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Purified Carboxymethylcellulose From Finland*, 69 FR 77216 (December 27, 2004) (unchanged in *Notice of Final Determination of Sales at Less Than Fair Value: Purified Carboxymethylcellulose From Finland*, 70 FR 28279 (May 17, 2005)).

<sup>27</sup> See, *Certain Steel Wheels From the People's Republic of China: Initiation of Antidumping Duty Investigation*, 76 FR 23294 (April 26, 2011) ("Initiation Notice").

<sup>28</sup> See Jingu's Final Analysis Memorandum.

corroborated in the pre-initiation stage of this investigation and determining it to be relevant for the uncooperative respondent in this investigation, we have corroborated the AFA rate “to the extent practicable” as provided in section 776(c) of the Act.<sup>29</sup> Therefore, with respect to the PRC-wide entity, for the final determination we have used, as AFA, the margin in the petition of 193.54 percent, as set forth in the notice of initiation. Given that numerous PRC-wide entities did not respond to the Department’s requests for information, the Department concludes that the updated petition rate of 193.54 percent, as total AFA for the PRC-wide entity, is sufficiently adverse to prevent these respondents from benefitting from their lack of cooperation.<sup>30</sup>

The PRC-wide rate applies to all entries of the merchandise under investigation except for entries from Centurion, Jingu, Shandong Land Star, Shandong Jining, Wuxi Superior, Xingmin Wheel, Xiamen Sunrise, Jiaxing Stone, Xiamen Topu and Dongfeng Motor, as they have demonstrated eligibility for a separate rate. These companies and their corresponding antidumping duty cash deposit rates are listed below in the “Final Determination” section of this notice.

#### Critical Circumstances

In the *Preliminary Determination*, we determined that critical circumstances do not exist for Jingu, separate rate respondents, or the PRC entity, but do exist with respect to imports from Centurion.<sup>31</sup>

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<sup>29</sup> See also 19 CFR 351.308(d). See, e.g., *Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Stainless Steel Bar from the United Kingdom*, 66 FR 40192 (August 2, 2001) (unchanged in *Notice of Final Determination of Sales at Less Than Fair Value: Stainless Steel Bar from the United Kingdom*, 67 FR 3146 (January 23, 2002)).

<sup>30</sup> See SAA at 870.

<sup>31</sup> See *Preliminary Determination*, 76 FR at 67706-08.

*Centurion, Jingu and the Separate Rate Respondents*

On November 8, 2011, the Department issued a request to Centurion and Jingu for further information regarding monthly shipments of subject merchandise for the purposes of a final determination of critical circumstances. On November 14, 2011, both Centurion and Jingu submitted the requested monthly shipment data. Based on the updated shipment data received from respondents, the Department continues to find that critical circumstances do not exist for Jingu or the separate rate respondents, but do exist with respect to imports from Centurion.<sup>32</sup>

*PRC-Wide Entity*

With respect to the Department's preliminary determination that critical circumstances do not exist with respect to imports from the PRC entity,<sup>33</sup> we find that the *Preliminary Determination* was inconsistent with Department practice regarding this issue. Therefore, we have re-evaluated this issue for the final determination.

Because the PRC-wide entity did not cooperate with the Department by not responding to the Department's antidumping questionnaire, we were unable to obtain shipment data from the PRC-wide entity for purposes of our critical circumstances analysis, and thus there is no verifiable information on the record with respect to its export volumes. Section 776(a)(2) of the Act provides that, if an interested party or any other person (A) withholds information that has been requested by the administering authority or the Commission under this title, (B) fails to provide such information by the deadlines for submission of the information or in the form and manner requested, subject to subsections (c)(1) and (e) of section 782 of the Act, (C) significantly impedes a proceeding under the Act, or (D) provides such information but the

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<sup>32</sup> See Comment 6 of the Issues and Decision Memorandum; see also Memorandum from the Department entitled, "Critical Circumstances Data and Calculations for the Final Determination," dated March 16, 2012.

<sup>33</sup> See *Preliminary Determination*, 76 FR at 67708.

information cannot be verified as provided in section 782(i) of the Act, the Department shall, subject to section 782(d) of the Act, use the FA in reaching the applicable determination under this title.

Furthermore, as noted in the Use of Facts Available and Adverse Facts Available section above, section 776(b) of the Act provides that, if a party has failed to act to the best of its ability, the Department may apply an adverse inference. The PRC-wide entity did not respond to the Department's request for information. Thus, we are using FA, in accordance with section 776(a) of the Act, and, pursuant to section 776(b) of the Act, we also find that AFA is warranted because the PRC-wide entity has not acted to the best of its ability in not responding to the request for information. Accordingly, as AFA we find that there were massive imports of merchandise from the PRC-wide entity.<sup>34</sup>

#### Combination Rates

In the *Preliminary Determination*, the Department stated that it would calculate combination rates for respondents that are eligible for a separate rate in this investigation.<sup>35</sup> This practice is described in the *Separate Rate Policy Bulletin*.<sup>36</sup>

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<sup>34</sup> See *Certain Oil Country Tubular Goods From the People's Republic of China: Notice of Preliminary Determination of Sales at Less Than Fair Value, Affirmative Preliminary Determination of Critical Circumstances and Postponement of Final Determination*, 74 FR 59117, 59121 (November 17, 2009)(unchanged in *Certain Oil Country Tubular Goods from the People's Republic of China: Final Determination of Sales at Less Than Fair Value, Affirmative Final Determination of Critical Circumstances and Final Determination of Targeted Dumping*, 75 FR 20335 (April 19, 2010)); see also e.g., *Drill Pipe From the People's Republic of China: Preliminary Determination of Sales at Less Than Fair Value and Affirmative Determination of Critical Circumstances, and Postponement of Final Determination*, 75 FR 51004, 51013 (August 18, 2010)(unchanged in *Drill Pipe From the People's Republic of China: Final Determination of Sales at Less Than Fair Value and Critical Circumstances*, 76 FR 1966 (January 11, 2011); *Certain Magnesia Carbon Bricks From the People's Republic of China: Notice of Preliminary Affirmative Determination of Critical Circumstances*, 75 FR 28237, 28239 (May 20, 2010)(unchanged in *Certain Magnesia Carbon Bricks From the People's Republic of China: Final Determination of Sales at Less Than Fair Value and Critical Circumstances*, 75 FR 45468 (August 2, 2010)).

<sup>35</sup> See *Preliminary Determination*, 75 FR at 24905.

### Final Determination

The simple-average dumping margin percentages are as follows:

<b>Exporter</b>	<b>Producer</b>	<b>Percent Margin</b>
Zhejiang Jingu Company Limited	Zhejiang Jingu Company Limited	82.92%
Shanghai Yata Industry Company Limited	Zhejiang Jingu Company Limited	82.92%
Jining Centurion Wheels Manufacturing Co., Ltd.	Jining Centurion Wheels Manufacturing Co., Ltd.	44.96%
Shandong Land Star Import & Export Co., Ltd	Shandong Shengtai Wheel Co., Ltd.	63.94%
Shandong Jining Wheel Factory	Shandong Jining Wheel Factory	63.94%
Wuxi Superior Wheel Co., Ltd.	Wuxi Superior Wheel Co., Ltd.	63.94%
Shandong Xingmin Wheel Co. Ltd.	Shandong Xingmin Wheel Co. Ltd.	63.94%
Xiamen Sunrise Wheel Group Co., Ltd.	Jining Centurion Wheels Manufacturing Co., Ltd.	63.94%
Jiaxing Stone Wheel Co., Ltd.	Jiaxing Stone Wheel Co., Ltd.	63.94%
Xiamen Topu Import & Export Co., Ltd.	Xiamen Sunrise Wheel Group Co., Ltd.	63.94%
Xiamen Topu Import & Export Co., Ltd.	Jining Centurion Wheels Manufacturing Co., Ltd.	63.94%
China Dongfeng Motor Industry Imp. & Exp. Co., Ltd.	Dongfeng Automotive Wheel Co., Ltd.	63.94%
PRC-Wide Entity		193.54%

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<sup>36</sup> See Memorandum entitled "Separate-Rates Practice and Application of Combination Rates in Antidumping Investigations involving Non-Market Economy Countries" dated April 5, 2005, available at <http://ia.ita.doc.gov/policy/index.html>.

### Disclosure

We will disclose the calculations performed within five days of the date of publication of this notice to parties in this proceeding in accordance with 19 CFR 351.224(b).

### Continuation of Suspension of Liquidation

In accordance with section 735(c)(1)(B) of the Act, we are directing U.S. Customs and Border Protection (“CBP”) to continue to suspend liquidation of all imports of subject merchandise exported by Jingu or the separate rate respondents and entered or withdrawn from warehouse, for consumption on or after the date of publication of the *Preliminary Determination* in the *Federal Register*. Further, in accordance with section 735(c)(1)(B) of the Act, we are directing CBP to continue to suspend liquidation of all imports of subject merchandise exported by Centurion on or after 90 days prior to the date of publication of the *Preliminary Determination* in the *Federal Register*. Additionally, because we have found critical circumstances exist with respect to the PRC-Entity, we are directing CBP to suspend liquidation of all imports of subject merchandise exported by the PRC-entity on or after 90 days prior to the date of publication of the *Preliminary Determination* in the *Federal Register*. We will instruct CBP to require a cash deposit or the posting of a bond equal to the weighted-average amount by which the normal value exceeds U.S. price, as follows: (1) the rates for the exporter/producer combinations listed in the chart above will be the rates we have determined in this final determination as listed in the chart; (2) for all PRC exporters of subject merchandise which have not received their own rate, the cash-deposit rate will be the PRC-wide rate; and (3) for all non-PRC exporters of subject merchandise which have not received their own rate, the cash-deposit rate will be the rate applicable to the PRC exporter/producer combination that supplied that non-

PRC exporter. These suspension-of-liquidation instructions will remain in effect until further notice.

Additionally, as the Department has determined in its concurrent countervailing duty (“CVD”) steel wheels investigation that the merchandise under investigation exported by Zhejiang Jingu and Shanghai Yata benefitted from export subsidies,<sup>37</sup> we will instruct CBP to require an antidumping cash deposit or posting of a bond equal to the amount by which the normal value exceeds the U.S. price for each of these companies, as indicated above, reduced by the respective amount determined to constitute export subsidies for each of these companies.<sup>38</sup>

With respect to Shandong Xingmin Wheel Co. Ltd., a separate rate recipient in this case, but a mandatory respondent in the companion CVD investigation that was found to have benefitted from export subsidies, we will instruct CBP to require an antidumping cash deposit or posting of a bond equal to the amount by which the NV exceeds the U.S. price, as indicated above, reduced by the lesser of its own CVD export subsidy rate or the average of the CVD export subsidy rates applicable to the mandatory respondents, on which Shandong Xingmin Wheel Co. Ltd.’s dumping margin is based. For the other separate rate recipients<sup>39</sup> in this case, excluding Shandong Xingmin Wheel Co. Ltd., who are receiving the All-Others rate in the CVD

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<sup>37</sup> See *Certain Steel Wheels from the People’s Republic of China: Final Affirmative Countervailing Duty Determination, Final Affirmative Critical Circumstances Determination* and accompanying Issues and Decision Memorandum, dated concurrently with this notice (“CVD Final Determination”).

<sup>38</sup> See *Certain Oil Country Tubular Goods from the People’s Republic of China: Final Determination of Sales at Less Than Fair Value, Affirmative Final Determination of Critical Circumstances and Final Determination of Targeted Dumping*, 75 FR 20335, 20341 (April 19, 2010); see also e.g., *Notice of Final Determination of Sales at Less Than Fair Value: Carbazole Violet Pigment 23 From India*, 69 FR 67306, 67307 (November 17, 2004).

<sup>39</sup> The Department notes that it is our practice to adjust the separate rate companies by the lesser of the export subsidy rate (or average thereof) applicable to the mandatory respondents from which the separate rate is calculated, or the All-Others export subsidy rate from the CVD case (with exception of Shandong Xingmin Wheel Co. Ltd., which has its own calculated export subsidy rate). See *Galvanized Steel Wire From the People’s Republic of China: Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination*, 76 FR 68407, 68421 (November 4, 2011).

investigation, we will instruct CBP to require an antidumping cash deposit or posting of a bond equal to the amount by which the NV exceeds the U.S. price, as indicated above, reduced by the lesser of the average of the export subsidy rates determined in the CVD investigation or the average of the CVD export subsidy rates applicable to the mandatory respondents, on which the separate rate dumping margins are based.<sup>40</sup>

#### ITC Notification

In accordance with section 735(d) of the Act, we have notified the International Trade Commission (“ITC”) of our final determination of sales at LTFV. As our final determination is affirmative, in accordance with section 735(b)(2) of the Act, the ITC will, within 45 days, determine whether the domestic industry in the United States is materially injured or threatened with material injury, by reason of imports or sales (or the likelihood of sales) for importation of the subject merchandise. If the ITC determines that material injury or threat of material injury does not exist, the proceeding will be terminated and all securities posted will be refunded or canceled. If the ITC determines that such injury does exist, the Department will issue an antidumping duty order directing CBP to assess antidumping duties on all imports of the subject merchandise entered or withdrawn from warehouse for consumption on or after the effective date of the suspension of liquidation.

#### Notification Regarding APO

This notice also serves as a reminder to the parties subject to administrative protective order (“APO”) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305. Timely notification of return or

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<sup>40</sup> See *id.*

destruction of APO materials or conversion to judicial protective order is hereby requested.

Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

This determination and notice are issued and published in accordance with sections 735(d) and 777(i)(1) of the Act.

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Paul Piquado  
Assistant Secretary  
for Import Administration

March 16, 2012\_  
Date

## Appendix I – List of Issues

### **Case Issues:**

Comment 1: Whether the Scope Should Exclude Off-Road/Non-DOT Specification Stamped Wheels

Comment 2: Whether Double Remedies Arise from the Concurrent CVD Investigation

Comment 3: Use of PT Prima Alloy's Financial Statement for Surrogate Financial Ratios

Comment 4: Surrogate Value for Pallet Inputs

Comment 5: Surrogate Value for Inland Freight

Comment 6: Critical Circumstances

Comment 7: Treatment of Administrative Expenses in Centurion's Indirect Selling Expense Calculation

Comment 8: Hot-Rolled Steel Surrogate Value

Comment 9: Corrections to Zhejiang Jingu's Databases

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